

“(B) For purposes of this paragraph, a renovation project is a project to remodel or alter existing buildings for which financial assistance under this subchapter may be provided and does not include maintenance and repair work which is the responsibility of the State.”.

(b) APPLICATIONS WITH RESPECT TO PROJECTS.—Section 8135 is amended—

(1) in subsection (a)—

(A) by striking “set forth—” in the matter preceding paragraph (1) and inserting “set forth the following:”;

(B) by capitalizing the first letter of the first word in each of paragraphs (1) through (9);

(C) by striking the comma at the end of each of paragraphs (1) through (7) and inserting a period; and

(D) by striking “, and” at the end of paragraph (8) and inserting a period;

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively;

(3) by inserting after subsection (a) the following new subsection (b):

“(b)(1) Any State seeking to receive assistance under this subchapter for a project that would involve construction or acquisition of either nursing home or domiciliary facilities shall include with its application under subsection (a) the following:

“(A) Documentation (i) that the site for the project is in reasonable proximity to a sufficient concentration and population of veterans who are 65 years of age and older, and (ii) that there is a reasonable basis to conclude that the facilities when complete will be fully occupied.

“(B) A financial plan for the first three years of operation of such facilities.

“(C) A five-year capital plan for the State home program for that State.

“(2) Failure to provide adequate documentation under paragraph (1)(A) or to provide an adequate financial plan under paragraph (1)(B) shall be a basis for disapproving the application.”; and

(4) in subsection (c), as redesignated by paragraph (2)—

(A) in paragraph (1), by striking “for a grant under subsection (a) of this section” in the matter preceding subparagraph (A) and inserting “under subsection (a) for financial assistance under this subchapter”;

(B) in paragraph (2)—

(i) by striking “the construction or acquisition of” in subparagraph (A); and

(ii) by striking subparagraphs (B), (C), and (D) and inserting the following:

“(B) An application from a State for a project at an existing facility to remedy a condition or conditions that have been cited by an accrediting institution, by the Secretary, or by a local licensing or approving body of the State as being threatening to the lives or safety of the patients in the facility.

“(C) An application from a State that has not previously applied for award of a grant under this subchapter for construction or acquisition of a State nursing home.

“(D) An application for construction or acquisition of a nursing home or domiciliary from a State that the Secretary determines, in accordance with regulations under this subchapter, has a great need for the beds to be established at such home or facility.

“(E) An application from a State for renovations to a State home facility other than renovations described in subparagraph (B).

“(F) An application for construction or acquisition of a nursing home or domiciliary from a State that the Secretary determines, in accordance with regulations under this subchapter, has a significant need for the beds to be established at such home or facility.

“(G) An application that meets other criteria as the Secretary determines appropriate and has established in regulations.

“(H) An application for construction or acquisition of a nursing home or domiciliary from a State that the Secretary determines, in accordance with regulations under this subchapter, has a limited need for the beds to be established at such home or facility.”; and

(C) in paragraph (3), by striking subparagraph (A) and inserting the following:

“(A) may not accord any priority to a project for the construction or acquisition of a hospital; and”.

(c) TRANSITION.—The provisions of sections 8134 and 8135 of title 38, United States Code, as in effect on June 1, 1999, shall continue in effect after such date with respect to applications described in section 8135(b)(2)(A) of such title, as in effect on that date, that are identified on the list that (1) is described in section 8135(b)(4) of such title, as in effect on that date, and (2) was established by the Secretary of Veterans Affairs on October 29, 1998.

(d) EFFECTIVE DATE FOR INITIAL REGULATIONS.—The Secretary of Veterans Affairs shall prescribe the initial regulations under subsection (a) of section 8134 of title 38, United States Code, as added by subsection (a), not later than April 30, 2000.

SEC. 207. EXPANSION OF ENHANCED-USE LEASE AUTHORITY.

(a) AUTHORITY.—Section 8162(a)(2) is amended—

(1) by striking “only if the Secretary” and inserting “only if—

“(A) the Secretary”;

(2) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and realigning those clauses so as to be four ems from the left margin;

(3) by striking the period at the end of clause (iii), as so redesignated, and inserting “; or”;

(4) by adding at the end the following:

“(B) the Secretary determines that the implementation of a business plan proposed by the Under Secretary for Health for applying the consideration under such a lease to the provision of medical care and services would result in a demonstrable improvement of services to eligible veterans in the geographic service-delivery area within which the property is located.”.

(b) TERM OF ENHANCED-USE LEASE.—Section 8162(b) is amended—

(1) in paragraph (2), by striking “may not exceed—” and all that follows and inserting “may not exceed 75 years.”; and

(2) by striking paragraph (4) and inserting the following:

“(4) The terms of an enhanced-use lease may provide for the Secretary to—

“(A) obtain facilities, space, or services on the leased property; and

“(B) use minor construction funds for capital contribution payments.”.

(c) DESIGNATION OF PROPERTY PROPOSED TO BE LEASED.—(1) Subsection (b) of section 8163 is amended—

(A) by striking “include—” and inserting “include the following:”;

(B) by capitalizing the first letter of the first word of each of paragraphs (1), (2), (3), (4), and (5);

(C) by striking the semicolon at the end of paragraphs (1), (2), and (3) and inserting a period; and

(D) by striking subparagraphs (A), (B), and (C) of paragraph (4) and inserting the following:

“(A) would—

“(i) contribute in a cost-effective manner to the mission of the Department;

“(ii) not be inconsistent with the mission of the Department;

“(iii) not adversely affect the mission of the Department; and

“(iv) affect services to veterans; or

“(B) would result in a demonstrable improvement of services to eligible veterans in the geographic service-delivery area within which the property is located.”.

(2) Subparagraph (E) of subsection (c)(1) of that section is amended by striking clauses (i), (ii), and (iii) and inserting the following:

“(i) would—

“(I) contribute in a cost-effective manner to the mission of the Department;

“(II) not be inconsistent with the mission of the Department;

“(III) not adversely affect the mission of the Department; and

“(IV) affect services to veterans; or

“(ii) would result in a demonstrable improvement of services to eligible veterans in the geographic service-delivery area within which the property is located.”.

(d) USE OF PROCEEDS.—Section 8165(a) is amended—

(1) by striking paragraph (1) and inserting the following:

“(a)(1) Funds received by the Department under an enhanced-use lease and remaining after any deduction from those funds under subsection (b) shall be deposited in the Department of Veterans Affairs Health Services Improvement Fund established under section 1729B of this title. The Secretary shall make available to the designated health care region of the Veterans Health Administration within which the leased property is located not less than 75 percent of the amount deposited in the fund attributable to that lease.”; and

(2) by adding at the end the following new paragraph:

“(3) For the purposes of paragraph (1), the term ‘designated health care region of the Veterans Health Administration’ means a geographic area designated by the Secretary for the purposes of the management of, and allocation of resources for, health care services provided by the Veterans Health Administration.”.

(e) REPEAL OF TERMINATION PROVISION.—(1) Section 8169 is repealed.

(2) The table of sections at the beginning of chapter 81 is amended by striking the item relating to section 8169.

(f) REPEAL OF OBSOLETE PROVISIONS.—Section 8162 is amended—

(1) by striking the last sentence of subsection (a)(1); and

(2) by striking subsection (c).

SEC. 208. INELIGIBILITY FOR EMPLOYMENT BY VETERANS HEALTH ADMINISTRATION OF HEALTH CARE PROFESSIONALS WHO HAVE LOST LICENSE TO PRACTICE IN ONE JURISDICTION WHILE STILL LICENSED IN ANOTHER JURISDICTION.

Section 7402 is amended by adding at the end the following new subsection:

“(f) A person may not be employed in a position under subsection (b) (other than under paragraph (4) of that subsection) if—

“(1) the person is or has been licensed, registered, or certified (as applicable to such position) in more than one State; and

“(2) either—

“(A) any of those States has terminated such license, registration, or certification for cause; or

“(B) the person has voluntarily relinquished such license, registration, or certification in any of those States after being notified in writing by that State of potential termination for cause.”.

TITLE III—MISCELLANEOUS

SEC. 301. REVIEW OF PROPOSED CHANGES TO OPERATION OF MEDICAL FACILITIES.

Section 8110 is amended by adding at the end the following new subsections: